



State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

Michael O. Leavitt
Governor

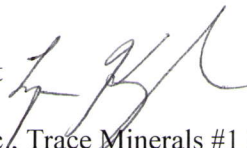
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August 17, 2001

TO: Minerals File

FROM: Lynn Kunzler, Senior Reclamation Specialist 

RE: Site Inspection, Peak Minerals – Azomite Inc., Trace Minerals #1 Mine, S/039/001, Sanpete County, Utah


Date of Inspection: August 2, 2001
Time of Inspection: 8:30 a.m.
Conditions: Clear, warm
Participants: Jason Danse, Nephi Sandstone; Clyde Larson and Wes Emerson, Peak Minerals – Azomite, Inc.; and Lynn Kunzler, DOGM

Purpose of Inspection: To review site conditions with operator and determine whether sufficient acreage could be reclaimed to reduce disturbed area to less than 5 acres.

This inspection was a follow-up to the July 16, 2001 meeting with the operator, where the acreage that has been affected by mining operations had been questioned. The operator thought that the Division had included old (grand fathered) areas during the June 21st inspection, and that the active disturbed area was still less than 5 acres.

Upon arrival at the site, I was introduced to Jason Danse, of Nephi Sandstone, Inc. Peak Minerals – Azomite Inc. contract mines this permit, and indicated that Nephi Sandstone will now do the mining for them.

After reviewing the site, and identifying the boundary that was used during the June 21st inspection to determine the disturbed acreage, the operator no longer questioned the accuracy of the 5.84 acres. Attention was then turned to determining what areas need to remain open (un-reclaimed) and what area(s) could be reclaimed without affecting the operator's ability to extract their minerals. This concluded in identifying about 1.5 acres that could be reclaimed along the southwestern portion of the disturbance. Reclamation will be accomplished by removing any mineral to a central stockpile and regrading the remaining overburden materials that had been placed in the area. The area will be left in a 'rough' condition and will be seeded this fall (late October). Mr. Danse requested that the Division visit the site while he has equipment on site during the regrading operations to assure the reclamation work is adequate (thus avoiding the potential of needed to re-mobilize equipment). He indicated that he would notify the Division a few days prior to commencement of the reclamation work so that the site visit could be scheduled. The operator also asked the Division for a recommended seed mix to seed the area with this fall.

 cc: Wes Emerson, Operator
S39-01 - insp.